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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

11. Mideast

¶2. Iran

Key stories in the media:

The media reported that last night the Israel Air Force bombed the house of Hamas parliamentarian Khalil al-Haya in Gaza. He was

slightly injured in the attack, but eight others including seven members of his family were killed, and 13 people were wounded. Shortly after the attack, the IAF struck a suspected rocket manufacturing facility, killing a ninth man. Palestinian sources said the facility was a stone mason's workshop. In total, 13 Palestinians were killed in Gaza Sunday by the IDF, and more than 15 rockets were launched from Gaza at Sderot and the western Negev. The media reported that on Saturday 10 Palestinians were killed in IAF strikes. On Sunday the security cabinet authorized the IDF to intensify air attacks on the Gaza Strip and targeted assassinations of senior Hamas activists. Ha'aretz quoted GOI sources in Jerusalem as saying that the cabinet decision called for assassinations of leaders of the military wing of Hamas, not the political wing. sources were quoted as saying that al-Haya's name had not been mentioned in the meeting. The Jerusalem Post reported that on Sunday Hamas political leaders in the Gaza Strip involved in terrorism became targets after the security cabinet granted the IDF a green light to strike at terror chiefs. Ha'aretz cited the belief of sources in the IDF that the steps taken so far will not deter Hamas and that the organization will continue to launch rockets at Sderot. Leading media reported that Strategic Affairs Minister Avigdor Lieberman told his cabinet colleagues that the decision to target Hamas terrorists was an important first step toward eradicating Hamas. Israel Radio reported that PA Chairman [President] Mahmoud Abbas and Palestinian PM Ismail Haniyeh have urged the international community to help put an end to Israel's military strikes.

On Sunday Ha'aretz reported that the Foreign Ministry is putting together a plan to station an international force on the Philadelphi route in Rafah to stop weapons smuggling from Sinai to the Gaza Strip. Israel believes that such smuggling is strengthening Hamas in Gaza, and stopping it will be the key to improving security. On Sunday The Jerusalem Post quoted senior GOI officials as saying on Saturday that the cabinet might support Fatah to keep Hamas from taking compete control of the Gaza Strip.

On Sunday Ha'aretz reported that the US is pressing Israel to help bolster security forces in the Gaza Strip that are loyal to Abbas. Ha'aretz said that Maj. Gen. Keith Dayton, the US security coordinator, recently discussed the function of the pro-Abbas Presidential Guard and National Security forces with senior Israeli officials. According to Ha'aretz, the Americans believe that strengthening Abbas loyalists and deploying them in friction points along the north of the strip and the Philadelphi route in Rafah will eventually improve the security situation. Yediot reported that Israel declined Hamas's offer to exchange Palestinian prisoners for many Israeli-Arab security detainees. The newspaper quoted Israeli security sources as saying that Hamas wants to show solidarity with Israeli Arabs and to drive a wedge between them and Israel. Yediot dubbed the proposed deal an intervention in Israel's domestic affairs.

In its lead story (bylined by Zeev Schiff), Ha'aretz reported that Washington has given Israel the green light to accept Syrian President Bashar Assad's call for peace talks, in a change of position accompanied by several preconditions. According to Ha'aretz, the Bush administration has given Israel permission to discuss the future of the Golan Heights, security arrangements, and Israeli-Syrian peace accords if it agrees to talks with Syria. However, Washington has reportedly stipulated that Israel must not agree to any negotiations, even indirectly, on the United States' positions, or on the future of Lebanon. Furthermore, Israel must not make promises to Syria regarding US policy. Washington will deal directly with Syria on these matters. Lebanon would also not be discussed in negotiations between Syria and Israel.

Ha'aretz quoted Vice PM Shimon Peres as saying on Sunday, during a panel debate on the Israeli-Palestinian conflict at the World Economic Forum in Jordan, that Israel will present a counter-proposal to the Arab League's peace initiative. He was quoted as saying that Israel's formal proposal would take into account the details of the Arab plan, which calls for a full Israeli withdrawal from territory captured in the 1967 Six-Day War in return for normalization with the Arab world. Peres was quoted as saying that the proposal would also outline Israel's opposing position. Ha'aretz quoted Arab League Secretary-General Amr Moussa as saying

that the league would be interested in such a proposal.

On Sunday The Jerusalem Post reported that Muhammad Larijani, an Iranian politician and scientists whose brother Ali is his country's top nuclear envoy, told the newspaper in Jordan on Friday that Tehran was not bent on wiping Israel out and that his President has been misunderstood and misreported when purportedly expressing this genocidal ambition. The Jerusalem Post quoted a high-ranking IDF officer as saying over the weekend that Israel still maintained its assessment that Tehran would have a nuclear bomb only by the end of the decade.

Ha'aretz and The Jerusalem Post reported that the Shin Bet considers itself authorized to use surveillance techniques that violate privacy, such as wiretaps, when activity that "sabotages the state's Jewish character" is carried out, even if this activity is not illegal. The security service made this assertion in a letter sent on Sunday by its head, Yuval Diskin, to the Association for Civil Rights in Israel and Adalah - the Legal Center for Arab Minority Rights in Israel. The letter, sent in response to a query from those organizations, was approved by Attorney General Menachem Mazuz.

Leading media reported that today EU foreign policy chief Javier Solana will meet with FM Tzipi Livni in Sderot.

On Sunday Makor Rishon-Hatzofe reported that the US has decided to transfer to Israel USD 205 million for the development of an anti-missile system. Some of that aid, approximately USD 25 million, will be allocated to pay for continued improvements of the Arrow missile system, and another USD 40 million will be allocated for the development of the Stunner weapons system that is geared to intercept tactical rockets. The decision was approved on Saturday by the US Congress at the request of the US administration. Makor Rishon-Hatzofe wrote that Malam, a subsidiary of Israel Aerospace Industries, is involved in improving the Arrow missile so that it is better suited to intercept the advanced systems in place on Iranian Shihab 3 and other ballistic missiles.

Media reported that on Saturday five Palestinians were killed in Hamas-Fatah clashes.

The Jerusalem Post reported that the US Department of Commerce has imposed a civil penalty on Delaware Cooper US, Inc., for violating legal restrictions against complying with the Arab boycott.

Yediot reported that key Labor Party leadership contender MK Ami Ayalon is mulling his party's ongoing participation in the government, as he would supervise it from the outside. Ayalon had declared that he would not sit in an Olmert government.

On Sunday Yediot and The Jerusalem Post reported that leading Israeli and Palestinian businessmen met in Jordan on Friday to launch the "Israeli-Palestinian Business Council," which they say aims to bolster "reason and dialogue" and "economic revitalization" and to press politicians to end the conflict.

Ha'aretz and The Jerusalem Post repotted that later this week (on Thursday, according to The Jerusalem Post) PM Ehud Olmert will hold his first meeting with a task force on implementing the Winograd Commission's structural recommendations. The panel, whose member come from both within and outside the government, will be chaired by Amnon LIpkin-Shahak, a former minister and IDF chief of staff. Yediot cited Lipkin-Shahak's admission that he has not read the entire Winograd report.

Ha'aretz wrote that the fear of being murdered has become the primary preoccupation of journalists in the Gaza Strip, replacing their concern that they may be kidnapped.

Israel Radio reported that senior New York Times columnist Thomas Friedman has recommended that the US negotiate with Hamas.

The Jerusalem Post cited the human rights group Gisha, the Legal Center for Freedom of Movement, as saying on Sunday that academics and university should protest the GOI's restrictions on Palestinian

university students while Israel fights a proposed academic boycott by British universities.

Leading media reported that on Sunday around 50 people were killed a Palestinian refugee camp in northern Lebanon in clashes between the Lebanese Army and a Palestinian organization.

Ha'aretz reported that in two weeks the UN Economic Commission for Europe (UNECE) will meet for the first time in Israel. The topic of the conference to be held in Tel Aviv from June 5-8 is: "Knowledge Sharing and Capacity Building on Promoting Successful Public-Private Partnerships in the UNECE Region." Senior officials and ministers will attend from the US, Russia, Ukraine, Czech Republic, Germany and France; as well as senior bankers and executives. This is the first time that the UN body has chosen to meet in Israel to advance economic issues, according to attorney Yehuda Raveh, one of the coordinators of the meeting. Among the topics to be discussed are large infrastructure projects built as public-private partnerships (PPP). Israel is now planning and building USD 7 billion of such infrastructure projects, with another USD 7 billion expected soon. Such investments reached USD 100 billion in Eastern Europe in the past seven years.

The Jerusalem Post reported that a new subcommittee of the Knesset's Foreign Affairs and Defense Committee has been tasked with confronting the civilian issued faced by Israeli residents of the West Bank.

The Jerusalem Post reported that Israeli 8th to 11th graders of the ORT educational network have created a Web site with the purpose of educating students around the globe on news and life in Israel -- "Eye 2 Israel" (www.israell.org).

On Sunday Yediot reported that the Housing and Construction Ministry is giving a special "gift" to the community of Black Hebrews in Israel: a new and permanent housing community that will be comprised of 282 housing units in the Mamshit area of Dimona.

______ __1. Mideast:

Summary:

Diplomatic correspondent Ben Caspit wrote on page one of the popular, pluralist Maariv: "At the end of the day, only the IDF will have to enter, go from house to house and disarm Hamas."

Liberal op-ed writer Yael Gewirtz commented in the lead editorial of the mass-circulation, pluralist Yediot Aharonot: "A dilly-dallying government is better than a race in hell."

The conservative, independent Jerusalem Post editorialized: "Egypt is rightly anxious about the establishment of an Iranian outpost on Cairo's doorstep in Gaza. But it has contributed mightily to that concern itself by failing to stop the arms flow."

Former Ambassador to the US, former Minister of Foreign Affairs, and former Minister of Defense Moshe Arens wrote in the independent, left-leaning Ha'aretz: "The government's inaction is an exact repetition of the mistakes of the Second Lebanon War... This is war, and you cannot fight a war based on dogmatic slogans."

Ha'aretz editorialized: "It evidently makes no difference which party is in power, as long as the army serves the settlers rather than the state."

Block Quotes:

¶I. "Our Mission"

Diplomatic correspondent Ben Caspit wrote on page one of the popular, pluralist Maariv (5/21): "There is no magic solution and no instant formula. In the end, in two months, two years or seven years, or after the next Qassam rocket that falls into a

kindergarten, we, and only we, will have to do the hard work.... The Egyptians are burying their heads in the sand, the Jordanians are praying, and at the end of the day, only the IDF will have to enter, go from house to house and disarm Hamas. Irrespective of Right or Left, without a great deal of options and with a large number of casualties, this will be a purely Israeli mission. It is possible that it will be followed by a commission of inquiry, for that is the way we are, but there is no commission that can solve this problem without facing it head on, the way things used to be done. There is no other way."

II. "Time For Realism"

Liberal op-ed writer Yael Gewirtz commented in the lead editorial of the mass-circulation, pluralist Yediot Aharonot (5/21): "We have forgotten about the increase in terror that actually took place when the IDF was fully active in Gaza; we have forgotten the goals of the fighting that were declared after the abduction of Gilad Shalit; we have forgotten that Qassam rockets have continued to fall.... In the current shameful situation, and considering the disgraceful condition of our leader, it would be better for the Prime Minister and his colleague to proclaim that Israel does not possess a realistic solution that is preferable to those that were declared 'un-implementable' at the end of the previous fighting. A dilly-dallying government is better than a race in hell."

III. "No More Arms to Gaza"

The conservative, independent Jerusalem Post editorialized (5/21): "Bitter experience has ... proved that Fatah cannot be relied upon to keep Hamas at bay -- just as the Egyptians have proved their incapability or disinclination to foil the massive gunrunning into Gaza on which Hamas thrives. If Egypt now bewails Hamas's growing power, it has only itself to blame. It allowed the Rafah border to become Hamas's military lifeline. For Egypt to now seek to reinforce Fatah through the same conduit is to compound the problem, not solve it. Egypt is rightly anxious about the establishment of an Iranian outpost on Cairo's doorstep in Gaza. But it has contributed mightily to that concern itself by failing to stop the arms flow. What Israel needs to do now is look after its own interests... Hamas must be confronted wisely and effectively. Its armed men and those who encourage and dispatch them must be given no rest. When the extremists are confronted, the moderates will be strengthened."

IV. "Forgot Everything, Learned Nothing"

Former Ambassador to the US, former Minister of Foreign Affairs, and former Minister of Defense Moshe Arens wrote in the independent, left-leaning Ha'aretz (5/21): "First, priority must be given to the protection of Israel's civilian population; that comes before anything else. That is the mission of the IDF. Second, the battle must be taken into enemy territory. In this case it means the army taking over a strip of 5 to 8 kilometers in the northern Gaza Strip.... The government's inaction is an exact repetition of the mistakes of the Second Lebanon War. Not understanding that the only way to suppress the launching of short-range rockets is for ground forces to reach the launching sites, the Galilee was exposed to Hizbullah rockets for over five weeks, and the war was lost. Now the same mistake is being repeated. Nothing has been learned. Then, because our ministers' minds were being obfuscated by the stupid slogan that 'We shall not again get stuck in the Lebanese quagmire,' and now, the slogan is 'We shall not return to Gaza.' This is war, and you cannot fight a war based on dogmatic slogans."

¶V. "A Kind of Military Coup"

Ha'aretz editorialized (5/21): "While [Israeli cabinet] ministers speak about a two-state solution, a kind of military coup is taking place in the West Bank, in which the IDF is turning the area into the state of the settlers. While the Palestinian population is being suffocated, the settlements are flourishing... One shocking example of this democratic crisis is the army's disregard of court decisions regarding the route of the separation fence... In light of all this, Amir Peretz's talk about dismantling West Bank settlement outposts, like Ehud Olmert and Tzipi Livni's promises to

reach a new agreement on dividing the land between Israel and Palestine, sounds emptier than ever. It evidently makes no difference which party is in power, as long as the army serves the settlers rather than the state."

<u>¶</u>2. Iran:

Summary:

The independent, left-leaning Ha'aretz editorialized: "It is not too late to stop [Iran's nuclear program], with the help of effective and painful sanctions. But these must be imposed swiftly and firmly. Time is of the essence."

Block Quotes:

"Painful Sanctions For Iran"

The independent, left-leaning Ha'aretz editorialized (5/20):
"Through [the continuation of its nuclear program,] Iran is defying the international community and transmitting a clear message: We are determined to continue developing our nuclear program and are thumbing our nose at the world... It seems the world no longer perceives the demand for sanctions as Israeli paranoia, or another manipulation by U.S. President George W. Bush's administration.... Even world leaders, including Russian President Vladimir Putin, seem to recognize the obligation incumbent on them to prevent Iran from obtaining nuclear weapons. It is not too late to stop it, with the help of effective and painful sanctions. But these must be imposed swiftly and firmly. Time is of the essence."

JONES